



County of Los Angeles
CHIEF ADMINISTRATIVE OFFICE

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DAVID E. JANSSEN
Chief Administrative Officer

June 19, 2003

To: Supervisor Yvonne Brathwaite Burke, Chair
Supervisor Gloria Molina
Supervisor Zev Yaroslavsky
Supervisor Don Knabe
Supervisor Michael D. Antonovich

From: David E. Janssen
Chief Administrative Officer

Board of Supervisors
GLORIA MOLINA
First District

YVONNE BRATHWAITE BURKE
Second District

ZEV YAROSLAVSKY
Third District

DON KNABE
Fourth District

MICHAEL D. ANTONOVICH
Fifth District

FEDERAL LEGISLATIVE UPDATE

Homeland Security Field Hearing and Site Visit

On June 21, 2003, the House Select Committee on Homeland Security, chaired by Representative Christopher Cox, will be holding a field hearing and conducting site visits in Long Beach and Los Angeles. As indicated in the attached news release, the Committee will tour the Ports of Los Angeles and Long Beach, and also hold a field hearing on "Enhancing Security and Protecting Commerce at America's Ports" in the Metropolitan Transportation Authority's Board Room.

FFY 2004 Homeland Security Appropriations

On June 17, 2003, the House Appropriations Committee passed a Federal Fiscal Year (FFY) 2004 Homeland Security appropriations bill without making any significant changes to the version approved at the subcommittee last week. The bill includes the following homeland security funding of County interest:

- \$1.9 billion for Office of Domestic Preparedness formula-based grants;
- \$500 million for state and local law enforcement terrorism prevention grants;
- \$500 million for high-threat, high-density urban areas;
- \$200 million for critical infrastructure grants; and
- \$750 million for the Firefighter Grant Program.

We will provide your Board with more detailed information on the FFY 2004 Homeland Security appropriations bill after it becomes available in print.

S. 1245 (Collins, R-ME): Homeland Security Grant Enhancement Act of 2003

On June 17, 2003, the Senate Governmental Affairs Committee passed S. 1245, the Homeland Security Grant Enhancement Act of 2003, which was introduced by Committee Chair Susan Collins (R-ME) last week. Our initial review of the bill has identified a number of major problems, including the inadequate targeting of homeland security funds to high-threat areas, limits on state and local flexibility, and the imposition of a 25% non-Federal match requirement. Specific problem areas include:

- The legislation would not allocate all funds based on threat levels and relative need. As with current law, it would provide a disproportionately high share of homeland security grant funds to small population states and territories. It requires that 40% of total funding be used to provide each state with 0.75% of total funding and each territory with 0.25% of total funding. As of July 2002, California had 12.0% of the total U.S. population while 16 states had less than 0.75% and all four territories had less than 0.06% of the total U.S. population.
- It provides that 10% of Department of Homeland Security (DHS) grant funds shall be used for discretionary grants to local governments in high threat areas, which is far smaller than the 30% of total funding that was allocated for grants to high threat urban areas in FFY 2003.
- Instead of requiring at least 80% of state homeland security grant funds be passed through to local governments, the bill requires at least 80% of the grant funds or resources purchased with grant funds to be provided to local governments, first responders, and other local groups. This would allow a state to decide how funds are spent locally.
- The bill would limit state and local flexibility by establishing a narrow statutory definition of allowable uses of funds, including imposing 5% caps on the amount of funds that can be spent on emergency planning personnel or overtime costs.
- It would further limit state and local flexibility over the use of funds by requiring each state to prepare a detailed three-year state homeland security plan that meets preparedness goals, performance standards, and any other criteria determined necessary by the Secretary of DHS, who would set national performance standards and also review and approve state plans. The Secretary of DHS, in effect, could dictate how state and local governments spend grant funds. National performance measures also are problematic because priorities, needs, and conditions will vary among states and localities. Moreover, California is likely to have less financial

resources to meet the performance standards because of its huge budget shortfall and the inequitable allocation of Federal homeland security funding.

- The bill imposes a 25% non-Federal match requirement, which could prevent financially distressed states and localities from accessing needed Federal homeland security grant funds. This match requirement would be especially onerous because personnel costs would not count toward the match requirement to the extent that such costs generally are not allowable uses of grant funds.
- State and local governments would be required to use grant funds to “supplement not supplant other State and local public funds obligated for the purposes provided under this Act.” This anti-supplanting language would penalize states and localities which had increased spending to improve homeland security, but cannot maintain the higher spending levels due to revenue shortfalls. It also would penalize them for making one-time expenditures on equipment and prevent them from spending their own funds on equipment with the expectation that Federal revenue later would reimburse all or part of the equipment costs.

The above provisions in S. 1245 are detrimental to the County and are inconsistent with your Board's policies supporting the more effective targeting of homeland security funds based on relative need, population, and threat levels, the direct allocation (or mandatory state pass-through) of funds to the County, and greater state and local flexibility over the use of funds. **The County's Washington advocates, therefore, will work with other state and local governments and associations that share our concerns and with our Congressional delegation to oppose the enactment of these provisions.**

The County's Washington advocates indicate that it will be some time before S. 1245 reaches the Senate floor and that a number of Democratic Senators have indicated that they will pursue changes to the bill. For example, Senator Levin (D-MI) has stated that he supports reducing the small state minimum from 0.75% to 0.50%. Also, at this time, the House is not considering any legislation that is comparable to S. 1245.

We will continue to keep you advised of any new developments.

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Attachment

- c: Executive Officer, Board of Supervisors
County Counsel
All Department Heads
Legislative Strategist